



## Elder and Ackerman of RXR negotiate 700,000 s/f lease at 450 Lexington Ave.

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Manhattan, NY RXR brokered a 25-year lease extension with global law firm Davis Polk & Wardwell LLP (Davis Polk). As part of the renewal, Davis Polk will be expanding its footprint at 450 Lexington Ave. by an additional floor, adding 30,000 s/f. The firm's new footprint at the building will be over 700,000 s/f, constituting the largest lease in New York City in 2023 to date.

William Elder and Andrew Ackerman represented RXR in-house in the transaction, along with a Fried, Frank, Harris, Shriver & Jacobson team led by Valerie Kelly and Neil Hood. CBRE's Lewis Miller, Andrew Sussman and Munish Viralam represented Davis Polk, along with Scott Newmark of Meister Seelig & Fein.

The 40-story class A office tower is located near Grand Central Terminal between 44th and 45th Sts. 450 Lexington was completed in 1991.

"Davis Polk's long-term commitment to 450 Lexington Ave. is another example that New York City's office market is here to stay," said RXR chairman and CEO Scott Rechler. "As the needs of employers and the nature of work evolves, we are working constantly to ensure our spaces are keeping up with those changing demands. We are thrilled that Davis Polk has once again committed to making 450 Lexington Ave. its home in New York City."

In connection with the lease, RXR and its partners are investing over \$300 million for extensive capital improvements throughout the building common areas and across Davis Polk's 23 floors. The planned renovations will encompass the full modernization of lobbies and workspaces, including the addition of numerous amenities inside of Davis Polk's premises focused on improving employees' day-to-day experiences and addressing their evolving needs.

Overall, the entire building will see extensive upgrades in the lobbies and elevators that include modern and timeless aesthetics that are harmonious with the building's historic structure. Renovations are being designed by Gensler. New space configurations, lighting, finishes, and added architectural features such as striking stone, glass, and wood materials will complement feature ceiling elements and modern glazed entryways.

"We are thrilled that 450 Lex will continue to be our long-term home going forward and we are grateful for RXR's collaboration in reaching a mutually acceptable outcome in the context of a challenging and difficult market environment," said Neil Barr, Davis Polk's chair and managing partner. "We are embarking on a truly exciting, complete renovation that will transform the look and feel of our office and offer the Davis Polk community a uniquely modern, welcoming and collaborative space."

The building's "Sky Lobby" will also receive a full remodel. It will include private outdoor terraces and Loggia spaces for Davis Polk featuring new indoor/outdoor space, operable doors, seating, and planting. Additionally, Davis Polk will create new gathering spaces, meeting spaces, and culinary options throughout the firm's premises.

"RXR is delighted to continue our longstanding relationship with Davis Polk," said William Elder, EVP, managing director of RXR's New York City division. "450 Lexington Avenue is a dynamic asset with floorplates that allow for adaptability and creativity. Through our planned enhancements and infrastructure updates for the entire building to enjoy, including the reimaged offices and enhancements for Davis Polk's headquarters, this office tower will continue to serve as a modern

workplace destination.”

“Having undertaken an in-depth review of all viable alternatives in the market, Davis Polk’s decision to remain at 450 Lexington Ave. was driven by RXR’s commitment to undertake a major renovation of the building, the ability to accommodate the firm’s growth, the highly efficient floors and superior location,” said Lewis Miller, vice chairman of CBRE. “450 Lexington was clearly the ideal solution to accommodate the firm’s long-term occupancy in state-of-the-art space, allow it to continue to attract the top talent in the industry and build on the firm’s storied history.”

Photo credit: 450 Lexington/RXR, courtesy of Gensler

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